



December 1, 2022

The Honorable Governor Dan McKee
82 Smith Street
Providence, RI 02903

Re: FY24 State Budget Priorities for Babies & Young Children

Dear Governor McKee:

Congratulations on your election victory in November! We are excited to work with you now and over the coming years as you refine and implement the Rhode Island 2030 plan, a once-in-a-generation opportunity to build a more resilient, prosperous, and equitable state for all. In 2022, we were thrilled that you prioritized three of our Right from the Start Campaign priorities for inclusion in your FY23 budget (the boldest child care plan proposed by a governor in at least 20 years, Cover All Kids, and the Postpartum Medicaid Extension) and the final enacted budget included even more victories for families with young children.

We are sending you this letter to outline our FY24 state budget priorities. This is the *second* year Rhode Island has a projected state budget surplus, which **provides unique opportunities to establish your legacy by proposing bold policies that will help ensure our state is an affordable and great place to raise a family and where all children get off to the right start in life, regardless of family income, race, ethnicity, immigration status, or zip code.**

Child Care: The Rhode Island 2030 plan mentions child care 41 times stating that “even before the pandemic, the child care system was not meeting the needs of families.” Your RI 2030 plan calls for **increased public investments in the RI Child Care Assistance Program to ensure that families can find high-quality, affordable care** by focusing on ensuring provider payment rates cover the true cost of quality care and family eligibility is expanded so that all families at or below the RI median income have access to financial supports for child care. Affordable high-quality child care from infancy through school-age sets children up for success in school and life and helps families earn a living.

We urge you to:

- Help child care programs pay better wages to attract and retain qualified educators by increasing the base provider rates for the RI Child Care Assistance Program to the federal equal access standard (75th percentile of the most recent market rate survey) and provide additional tiered increases to help programs reach and maintain quality standards.
- Help more families qualify for the RI Child Care Assistance Program by lifting the family-income entrance and exit eligibility to 85% of the State Median Income, the federal standard for the Child Care and Development Block Grant (in Rhode Island this is about 350% FPL), so that more families can qualify for the RI Child Care Assistance Program.
- Remove the outdated requirement for families to establish paternity/parentage and file for child support to be eligible for the RI Child Care Assistance Program, a barrier that does not exist for any other early childhood program and one that only a handful of other states impose.



- Provide enhanced rates to child care programs that serve infants under 18 months to account for the significantly higher staffing costs compared to toddler care and address the severe shortage of infant care (\$132/week - \$150/week per infant on top of the infant/toddler rate).
- Restore \$48 million in state general revenue funding that was cut from the RI Child Care Assistance Program in the mid-2000s. Rhode Island currently invests only the minimum state match and maintenance of effort required by the federal government.

Early Educator Investment: The Rhode Island 2030 plan includes a goal to **reduce enduring inequities throughout Rhode Island’s economy including the disparate levels of unemployment, wages, wealth, and business ownership by race, ethnicity, and gender.** The workforce that supports young children’s early learning and development which is made up almost exclusively of women – and disproportionately women of color -- is in crisis. This crisis that is negatively affecting families, children’s learning and development, and our state’s economy. Child care and preschool educator wages are among the lowest in the state @ \$13.26 per hour for child care and @ \$14.08 per hour for preschool - in the same range or lower than fast food workers, dishwashers, laundry workers, animal caretakers, and retail sales workers.

We urge you to:

- Establish statewide compensation goals for early childhood educators as a strategy to meet your goal of increasing per capita income, to ensure early childhood professionals earn a living wage, and to recognize the value of the role they play in supporting the development and learning of children.
- Continue and expand strategies that help early childhood programs attract, develop, and retain qualified staff – including retention bonuses and the T.E.A.C.H. Early Childhood Workforce Development Program.
- Establish and fund the Child Care WAGE\$ program in Rhode Island as a companion to the T.E.A.C.H. Early Childhood program with a focus on retaining qualified infant/toddler child care educators.

RI Pre-K and Head Start: The Rhode Island 2030 plan calls for universal, high-quality, voluntary Pre-K for all children ages 3 and 4 through a mixed delivery system, including Head Start, child care, and public schools. There are **40 RI Pre-K classrooms and 800 seats for four-year-olds at risk of permanent closure** when federal funding expires in the summer of 2023. **As of December 2022, there are at least 30 Head Start classrooms and at least 9 Early Head Start classrooms closed due to a worsening staffing crisis caused by low, non-competitive wages.** These Head Start classrooms normally provide high-quality preschool and comprehensive support services to approximately 540 three- and four-year-old children and high-quality care and enriching learning opportunities for approximately 72 infants and toddlers from low-income families. These Early Head Start and Head Start classrooms **are at immediate risk of permanent closure unless state investments are made to increase educator wages and sustain these programs.**

We urge you to:

- Restore state funding to Head Start programs that was cut in 2008 and invest additional state funds to supplement federal resources to ensure all current Head Start and Early Head Start classrooms can be staffed and qualified teachers are paid competitive wages at parity with RI



Pre-K and K-12 teachers.

- Invest funds sufficient to sustain all RI Pre-K classrooms and to adjust compensation so that all RI Pre-K teachers receive compensation at parity with K-12 teachers.
- As Rhode Island works to expand access to preschool for children ages three and four, maintain the diverse delivery system, ensure compensation parity for all RI Pre-K and Head Start teachers, invest at least 33% of any new state Pre-K expansion funds to sustain and strengthen infant/toddler programs, remove geographic boundaries for preschool enrollment to maximize options for families, and include high-quality family child care programs.

First Connections Voluntary Family Home Visiting: The Rhode Island 2030 plan includes a goal to make the Family Home Visiting First Connections program universally available. Both Oregon and New Jersey offer universal, voluntary home visiting for all families of newborns. Connecticut and several other states are working towards a goal of universal home visiting. **Rhode Island's First Connections program is designed to reach at least 60% of newborns but only reached 34% in 2021 due to a staffing crisis.**

We urge you to:

- Make the temporary Medicaid rate increase for First Connections permanent and ensure programs can offer competitive compensation to retain qualified and effective staff including nurses, social workers, and community health workers.

Paid Family Leave: Decades of scientific evidence demonstrate the importance of paid family leave for healthy child development, maternal health, and family economic security. Paid family leave is also widely popular among voters. Rhode Island has been a leader in establishing a paid family leave program in 2013, **but we have now fallen behind 11 other states – including neighboring Connecticut and Massachusetts – by offering the lowest wage replacement rate and fewest number of weeks of leave.** Improving our paid family leave program to meet national standards is an essential investment for Rhode Island to become a great state to raise a family.

We urge you to:

- Increase the wage replacement level to match our neighboring states so all parents, and especially lower wage-earning parents, can have adequate income to stay home and care for newborns, adoptive, and foster children.
- Expand the number of weeks offered to families to meet or exceed our neighboring states - at least 12 weeks for each parent/caregiver.

Children's Health: The Rhode Island 2030 plan includes a goal of expanding and enhancing health insurance to cover all children to provide universal access to routine and acute health care. The state made huge progress in 2022 by restoring Medicaid coverage to all children regardless of immigration status. Rhode Island has not yet joined 24 other states by adopting 12-month continuous Medicaid eligibility for children. In October 2022, Oregon became the first state to **offer continuous eligibility for all children under age 6 so babies and young children have access to routine and acute health care, including essential screenings.** Washington, California, and New Mexico and other states are expected to adopt this policy soon.

We urge you to:

- Join 24 states in adopting 12-month continuous Medicaid eligibility for all children.



- Maintain Rhode Island’s leadership position for health care access by adopting continuous Medicaid eligibility for all children under age 6 through a federal waiver.

End Deep Child Poverty: The Rhode Island 2030 plan sets a goal of decreasing childhood poverty by investing in RI Works. The state made huge progress in 2022 by increasing the cash assistance benefit for the first time in 30 years and improving other program policies. **Thousands of children under age 6 rely on RI Works cash assistance to help meet their basic needs.**

We urge you to:

- Adopt policies recommended by the Raising Rhode Island Coalition, including updating the benefit annually to ensure children who rely on the cash benefit do not live in deep poverty (at or above 50% of FPL), repealing the full family sanction, allowing pregnant women to receive support earlier, and restore eligibility to legal permanent residents.

Revenue for RI: We urge you to implement equitable tax strategies to **ensure Rhode Island has sufficient state general revenue to provide access to services and programs young children need to thrive.**

Thank you for reviewing these budget priorities, which we believe are essential to ensuring that all Rhode Island children get off to the right start in life.

Sincerely,
The Right from the Start Steering Committee

Right from the Start Steering Committee

Beautiful Beginnings
Economic Progress Institute
Latino Policy Institute
Parents Leading for Educational Equity
Rhode Island Association for Infant Mental Health
Rhode Island Association for the Education of Young Children
Rhode Island Head Start Association
Rhode Island KIDS COUNT